

**Third
Implementation Plan
(2005 - 2009)**

**Linda Vista
Redevelopment Project Area**

**Adopted
June 15, 2004**

The Redevelopment Agency of the City of San Diego

Introduction

This Third Implementation Plan (the “Plan”) is being prepared and adopted pursuant to California Community Redevelopment Law (Health & Safety Code §33490). This Plan identifies project activities scheduled for the next five years, including housing activities projected for the remaining eight years of the Project Area for Very Low, Low, and Moderate income households. Regarding Very Low, Low, and Moderate income housing, no units will be removed or developed during the period of this Implementation Plan. It is anticipated that all statutory low and moderate income housing set-aside funds generated by this Project will be used for the Linda Vista Housing Rehabilitation Program for housing which directly benefits the Project Area.

The Linda Vista Redevelopment Project was adopted on November 21, 1972, primarily to eliminate conditions of blight associated with a deteriorated shopping center. The 11.6 acre Project Area, located in the heart of the Linda Vista Community, is bounded by Linda Vista Road, Comstock Street and Ulric Street and includes a shopping center, roller skating rink, the City of San Diego Linda Vista Branch Library, and Morley Park improved as a public park. The project was adopted to eliminate conditions of blight in the Project Area by new construction, revitalization, and upgrading of commercial and public properties and facilities within and surrounding the Project Area. The focus of redevelopment activity in this period of implementation will be improvements to the Agency-owned property which includes the Skateworld roller skating rink and the adjacent vacant lot, as well as streetscape improvements.

Redevelopment of the shopping center was completed in 1988. The Linda Vista Redevelopment Plan is effective through June 30, 2012 and provides for the repayment of debt from redevelopment activities through June 30, 2022. In 1994, revisions were made to California Redevelopment Law, which included establishing certain time limits on redevelopment plans adopted on or before December 31, 1993. These included putting a time limit on the effectiveness of the redevelopment plan to 40 years from the date of plan adoption or to 2009, whichever was later and limiting the time period for the receipt of tax increment revenue for the payment of debt to 10 years from the date of termination of the redevelopment plan. On November 22, 1999, by Ordinance No. O-18724, the Linda Vista Redevelopment Plan was amended to extend the effectiveness of the Plan from June 30, 2007 to June 30, 2012 and to extend the time limit on the receipt of tax increment revenue for the payment of debt to 2022.

Description of Blighting Conditions in the Project Area

Conditions of blight within the Project Area have been partially addressed by the redevelopment of the shopping center, the construction of the Linda Vista branch library and the development of Morley Park. The remaining area of blight is the vacant lot adjacent to the roller skating rink property at the corner of Linda Vista Road and Comstock Street.

Specific Goals and Objectives of the Agency for the Project Area

As described in the Linda Vista Redevelopment Plan, the goals and objectives for the Project Area are as follows:

- Eliminate and prevent the spread of blight and deterioration and conserve, rehabilitate and redevelop the Project Area;
- Create a modern community shopping center offering a balance of shopping and convenience goods to meet the commercial and social needs of the surrounding community;
- Provide for residential housing (possibly retirement housing) and public facilities such as a branch library, community meeting hall and recreational uses;
- Remove structurally substandard buildings;
- Eliminate blighting influences including incompatible land uses, obsolete structures and inadequate parking facilities;
- Provide a community shopping center reflecting a high level of concern for architectural and urban design principles;
- Create and develop local job opportunities and preserve the area's existing employment base; and
- Provide for the orderly development of this portion of the Linda Vista Community (formerly Kearny Vista) in accordance with the General Plan, specific plans, the Redevelopment Plan and local codes and ordinances.

These specific goals and objectives will continue during the five years of the Plan.

Specific Projects and Expenditures Proposed for the Next Five Years

Redevelopment of the vacant lot at the corner of Linda Vista Road and Comstock Street is the major focus of activity over the next 5 year period. Activities could include:

- design and development of a facility that could include community, retail and office uses; and
- streetscaping and other minor urban design changes to facilitate the movement of people and vehicles in the area.

Tax increment revenues collected by the Agency through Fiscal Year (“FY”) 2003 total \$1.75 Million. This revenue is used for project administration and to retire the \$1.96 Million of indebtedness plus accrued interest that financed the redevelopment of the Center.

The amount of tax increment and accrued interest that has been deposited in the low and moderate income housing fund (“Housing set-aside fund”) through FY 2003 is \$335,000. The revenue in the housing set-aside fund has been used to fund the Linda Vista First Time Homebuyers Program, administered by the San Diego Housing Commission. The Housing Commission has closed nine (9) \$20,000 loans, for a total of \$180,000.

The estimated tax increment revenue generated by the Project Area over the five years of this Plan, based upon 2% growth, is shown in Table 1.

Table 1: Estimate of Project Area Tax Increment Revenue

Fiscal Year	2005	2006	2007	2008	2009
Tax Incr. To Agency	\$93,300	\$95,700	\$98,200	\$100,700	\$103,300
20% Housing Set-aside	\$18,700	\$19,100	\$19,600	\$20,100	\$20,700
Net Tax Increment	\$74,600	\$76,600	\$78,600	\$80,600	\$82,600

A portion of tax increment will be used to pay State mandated obligations to the Educational Revenue Augmentation Fund (ERAF); \$5,863 is budgeted for Fiscal Year 2005. The impact on available funds by ERAF in future years is unknown, however it is assumed to continue at the current level.

Five Year Projects Schedule

FY 2005 Work Program

- Analyze economic conditions and conduct public process to determine feasible and desirable uses of the Agency-owned property.
- Analyze neighboring project area parcels for inclusion in corner project and/or roller skating rink property.
- Continue facade improvement effort on roller skating rink property.
- Monitor Project activities and coordinate community input into Project development process.
- Seek Agency Board approval to establish a Linda Vista Housing Rehabilitation Program for the use of the Linda Vista housing set-aside fund.

FY 2006 Work Program

- Extend preference to businesses located within the Project Area to reenter within the redeveloped area.¹
- Monitor Project activities and coordinate community input into Project development

process.

- Continue the Linda Vista Housing Rehabilitation Program for the use of the housing set-aside fund.

FY 2007 Work Program

- Extend preference to businesses located within the Project Area to reenter within the redeveloped area.²
- Construct or monitor construction of offsite improvements for Agency-owned parcels and potentially along Comstock Street.
- Monitor Project activities and coordinate community input into Project development process.
- Continue the Linda Vista Housing Rehabilitation Program for the use of the housing set-aside fund.

FY 2008 Work Program

- Monitor Project activities and coordinate community input into Project development process.
- Continue the Linda Vista Housing Rehabilitation Program for the use of the housing set-aside fund.

FY 2009 Work Program

- Monitor Project activities and coordinate community input into Project development process.
- Continue the Linda Vista Housing Rehabilitation Program for the use of the housing set-aside fund.

Explanation of How the Goals and Objectives, Projects and Expenditures will Eliminate Blighting Conditions in the Project Area

The conditions of blight in the Project Area are being addressed by current and future planned project activities. The projects in the annual Work Plans listed above will serve as a catalyst for further private and public investment within the Project Area. Renovation of the Agency-owned roller skating rink and corner lot will further enhance the area's revitalization.

Explanation of How the Goal and Objectives, Projects and Expenditures will Implement Project Area Housing Requirements

1. Goals and Objectives

California's Community Redevelopment Law requires that not less than twenty percent (20%) of all tax increment generated by the project shall be used for the purpose of increasing the community's supply of very low, low, and moderate income housing. Additionally, affordable dwelling units shall remain affordable for not less than the period of land use controls established in the project plan (currently through June 30, 2012). The Project Area's on-going goal is to improve housing that serves the Linda Vista Project Area through the Rehabilitation Program.

2. Affordable Housing Need for the City of San Diego

The City's Housing Element for FY 2004 – FY 2009 has not been completed; therefore, the Plan will reflect the Housing Element information for FY 1999 – FY 2004. It is anticipated that the City of San Diego's Affordable Housing Fair Share Goals for these years will be approximately the same.

The following table describes the Fair Share Affordable Housing Needs for FY 1999 – FY 2004.

Income Levels	Very Low (< 50% AMI)	Low (<80% AMI)	Moderate (80% to 120% AMI)	Market (120%>AMI)
# Units Needed	7,463	6,797	9,137	16,388

It is anticipated that the City of San Diego will not meet the affordable housing fair share goals for FY 1999 - FY 2004 based on the resources available to build the affordable housing units. The maximum feasible affordable housing units that can be produced based on the resources available are described in the following table.

Income Levels	Very Low (< 50% AMI)	Low (<80% AMI)	Moderate (80% to 120% AMI)	Market (120%>AMI)
# Units Needed	1,780	1,788	8,892	15,332

According to the 2000 Census, the population of the City of San Diego is 1,223,400 persons with 1,094,494 under the age of 65.

3. Agency Comprehensive Affordable Housing Strategy

The Redevelopment Agency, comprised of the City's Redevelopment Division, Centre City Development Corporation (CCDC) and Southeastern Economic Development Corporation (SEDC), has formed a collaborative with the San Diego Housing Commission to accelerate and encourage new affordable housing development citywide. In January 2003, leveraging Redevelopment set-aside funds, the collaborative issued a Notice of Funding Availability (NOFA) announcing the availability of \$55 million of secured assets to provide gap financing for very low, low, and moderate income housing. The Linda Vista Project Area, along with the 15 other redevelopment project areas in San Diego, is eligible to participate in this program both financially and with

proposed projects. The Program has so far generated significant interest from developers, and as the funds are committed during 2004, the Agency will consider issuing another such notice perhaps by 2005.

Low and Moderate Income Housing Fund

- **Amounts Available to Housing Set-aside Fund**

As of June 30, 2003, the Linda Vista Housing Set-Aside Fund had a balance of \$148,000. Based upon financial projections, \$98,200 is estimated to be added to the Housing Set-Aside Fund over the five years of this Plan. Pending Agency Board approval, housing set-aside funds from the Linda Vista Redevelopment Project will be made available for the proposed Linda Vista Housing Rehabilitation Program to be administered by the San Diego Housing Commission.

- **Projected Housing Units and Funds Expended**

The proposed Linda Vista Housing Rehabilitation Program could provide assistance to approximately thirty (30) properties based on a \$10,000 loan and a total available funding of \$304,000 over the five years of this Plan.

4. Agency Developed and Project Area Housing

California Community Redevelopment Law requires that the Agency prepare an estimate of the number of new, rehabilitated and price-restricted dwelling units to be developed in the Project Area. These numbers also include the inclusionary housing requirements; units for very low, low, and moderate income households. The inclusionary housing requirements state that 15% of all new or rehabilitated dwelling units developed by public or private entities, other than the Agency, in a redevelopment project area should be affordable to low and moderate income households. Forty percent (40%) of the 15% inclusionary housing units must be at affordability levels for very low income households.

For units developed by the Agency, 30% of all new and rehabilitated dwelling units shall be affordable for low and moderate income households. Not less than 50% of the 30% affordable units shall be affordable to very low income households. The Linda Vista Redevelopment Project Area has no residential uses. This is in conformance with the adopted Linda Vista Community Plan.

- **Estimates of the number of new, substantially rehabilitated or price-restricted residential units to be developed or purchased in the Project Area, both over the life of the plan and during the next 10 years**

The Linda Vista Redevelopment Project Area has no residential uses; therefore, there will be no residential units developed, rehabilitated or price-restricted in the Project Area.

- **Housing unit estimates for very low, low, and moderate income households for the next 10 years and the life of the Plan**

The Linda Vista Project Area has no residential properties. Based on a determination of a finding of benefit, the proposed Linda Vista Housing Rehabilitation Program will be available to households with income no greater than 100% of the Median Area Income that serve the Project Area. The effectiveness of the Linda Vista Redevelopment Plan terminates in 2012. Over the remaining eight years of the Plan, 37 Linda Vista households of low or very low income could benefit from the proposed Program.

- **Number of Very low, low, and moderate income units which have been developed in the Project Area**

As of June 30, 2003, no Very Low, Low, and Moderate Income Units were developed in the Project Area.

- **Number of Agency developed units including very low, low, and moderate-income units**

The Agency itself will not develop Very Low, Low, and Moderate Income Units within the Project Area.

Replacement of Dwelling Units Destroyed or Removed

The Shopping Center Project was completed prior to the legislation requiring Implementation Plans, and no acquisition by the Agency occurred or is anticipated to occur in the future that would require replacement dwelling units.

Summary

The Implementation Plan for the Linda Vista Redevelopment Project sets forth the specific projects planned for the Project Area during the next five years, in accordance with the Community Redevelopment Law. The Plan provides for the redevelopment of an important and underutilized corner along with the renovation of the Agency-owned rollerskating rink. The Plan also provides for a proposed Linda Vista Housing Rehabilitation Program to provide improvement loans to low and very low income owner-occupants within the area served by the Linda Vista Redevelopment Project.

¹ Linda Vista Shopping Center Redevelopment Plan, Section 430.1

The Agency shall extend preferences to persons who are engaged in business in the Project Area, to reenter in business within the redeveloped area if they otherwise meet the requirements prescribed by the Plan. Business, residential, institutional and semi-public tenants shall be permitted, if they so desire, and are able and qualified to purchase and develop real property in the Project Area.

² Linda Vista Shopping Center Redevelopment Plan, Section 430.1
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